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# Fax

**To:** FARA **From:** Vision Americas, Registration No. 5907  
**Fax:** (202) 514-2836 **Pages:** 45  
**Phone:** **Date:** 5/04/09  
**Re:** **cc:**

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● **Comments:**

Roger Noriega contacted Maggie Fleming in Sam Brownback's office by email with hopes of pushing the Western Sahara issue. He included in his email to Mr. Brownback the HNHCRIG WFP Report, USCRI Algeria 2007 Survey, and the USCRI World Survey 2008.

Best,

Alana

## Country Updates

### Algeria

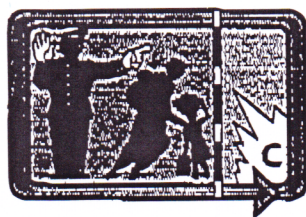
Refugees and Asylum Seekers	95,000
Morocco	90,000
Former Palestine	4,000

New Asylum Seekers	740
Departures	Unknown

1951 Convention: Yes  
 1967 Protocol: Yes  
 Reservations: None  
 UNHCR Executive Committee: Yes  
 African Refugee Convention: Yes

Population: 32.8 million  
 GDP: \$114.3 billion  
 GDP per capita: \$3,400

Algeria . Statistics .



**Refoulement/Physical Protection** There were no reports that Algeria forcibly returned refugees to their countries of origin but it deported an indeterminate number of refugees and asylum seekers registered with the Office

of the UN High Commissioner for Refugees (UNHCR) to its border with Mali. Authorities ordered others they arrested to leave the country within 15 days but took no further action. Monitoring of interception measures in border areas was not possible. Algeria also deported thousands of other migrants, some of them likely asylum seekers, to Sub-Saharan Africa without a chance to apply for asylum or challenge their deportation. UNHCR's operational capacity in terms of legal assistance was limited to the capital.

The Government threatened to deport some 66 refugees, mostly from the Democratic Republic of the Congo (Congo-Kinshasa), whom it had apprehended among some 700 migrants near the Moroccan border at the end of 2005, and sought *laissez-passeurs* from the Congolese Government. Third countries resettled six of them.

Algeria was party to the 1951 Convention relating to the Status of Refugees (1951 Convention), its 1967 Protocol, and the 1969 Convention Governing the Specific Aspects of Refugee Problems in Africa, without reservation. The 1989 Constitution provided that in no case may a "political refugee" with the legal right of asylum be "delivered or extradited." A 1963 decree established the Bureau for the Protection of Refugees and Exiles (BAPRA) in the Ministry of Foreign Affairs and called for an appellate board consisting of representatives of various ministries and the UNHCR but, because the authorities never requested UNHCR to designate its representative, the agency did not participate. The law required applicants to

submit appeals within one month after denial or within one week in cases of illegal entry, order of expulsion, or applicants the authorities deemed a security risk. The decree authorized BAPRA to decide cases and stipulated its recognition of those UNHCR had already recognized. The Government, however, granted asylum to only one refugee during the year, an Iraqi, and he received a three-year residence permit.

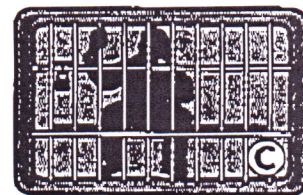
The Government recognized the Sahrawi and all 4,000 Palestinians as refugees but, as in the past, delegated virtually all other cases to UNHCR during the year. Algerian authorities told a delegation of the Office of the UN High Commissioner for Human Rights (UNHCHR) that responsibility for human rights and related matters lay with the government-in-exile of the Polisario rebel group from Western Sahara, a claim the delegation rejected. More than 700 persons applied in 2006, nearly half in the last quarter, including more than 300 from Côte d'Ivoire, nearly 200 from Congo-Kinshasa, and more than a hundred from Cameroon. The number of refugees (other than Sahrawi and Palestinians) and asylum seekers with cases pending at the end of the year was nearly 1,000, mostly from Congo-Kinshasa, Côte d'Ivoire, and Cameroon in urban areas and another 200 from Mali and Niger in the countryside. According to UNHCR, "Due to various factors, such as the restoration of peace and security in the country, the brisk pace of economic growth and the restrictive asylum policies in the EU zone, Algeria is in the process of becoming an asylum country for a growing number of sub-Saharan Africans. ... Durable solutions will have to be identified to a large extent locally." The official Algerian attitude, however, was that there were no bona fide sub-Saharan refugees in the country as they either should have sought protection in a neighboring state or presented themselves to the border authorities. Authorities considered all undocumented sub-Saharan Africans to be illegal aliens.

In February, torrential rains caused flooding that injured a number of Sahrawi refugees in the remote Tindouf camps and swept away the dwellings of about 12,000 refugee families. According to UNHCR, juvenile delinquency was also becoming a problem due to a lack of activities for young people.

### Detention/Access to Courts

Algeria continued to detain 66 refugees (58 from Congo-Kinshasa, 7 from Côte d'Ivoire, and 1 from Eritrea) whom it had apprehended among some 700 migrants at the end of 2005 in the

Maghnia region near the Moroccan border. It charged them with illegal entry and illegal journey in Algeria and moved them to a facility in Adrar. The Government denied UNHCR access to the facility until March 2006, whereupon a protection team from UNHCR's Geneva headquarters conducted status determinations and granted them refugee status. The Government did not inform UNHCR when it detained refu-





## WORLD REFUGEE SURVEY 2007

gees or asylum seekers. The Maghnia detainees managed to contact UNHCR themselves. They remained in detention as of April 2007.

Police arrested some 30 refugees and asylum seekers per month, generally sub-Saharan Africans, and presented them to the courts. With the help of lawyers and UNHCR's intervention, refugees and asylum seekers in Algiers challenged their own detention and generally won release. Those who authorities arrested outside the capital, however, did not have access to counsel or defense. Refugees and asylum seekers did not have access to courts to vindicate their rights as they had to avoid them for fear of arrest.

The 1963 decree empowered BAPRA to issue personal documentation to refugees. UNHCR issued some 500 "To whom it may concern" letters to asylum seekers, but was only able to do so in Algiers. The security forces respected UNHCR attestations certifying that a person is a refugee or a person of concern more than they did the letters. Security constraints left the rest of the country uncovered.

**Freedom of Movement and Residence** The Government allowed the Western Sahara rebel group, Polisario, to confine nearly a hundred thousand refugees

from the disputed Western Sahara to four camps in desolate areas outside the Tindouf military zone near the Moroccan border. According to Amnesty International, "This group of refugees does not enjoy the right to freedom of movement in Algeria....

Those refugees who manage to leave the refugee camps without being authorized to do so are often arrested by the Algerian military and returned to the Polisario authorities, with whom they cooperate closely on matters of security." Polisario checkpoints surrounded the camps, the Algerian military guarded entry into Tindouf, and the police operated checkpoints throughout the country. In May, a UNHCHR delegation attempted to examine human rights conditions in the Polisario-administered camps but was unable to collect sufficient information and said closer monitoring was "indispensable."

The Polisario did allow some refugees to leave for education in Algeria and elsewhere and to tend livestock in the areas of the Western Sahara it controlled and Mauritania. It did not, however, allow members to leave with their entire families. An unknown number reportedly held Mauritanian



In February, flash floods destroyed thousands of refugees' mud dwellings in the camps around Tindouf, Algeria. Unlike the 4,000 Palestinians Algeria allowed to live and work in cities, it confined the 90,000 Sahrawis to desert camps where they were completely dependent on international aid. *Credit: Saharauiak*



## Country Updates

passports and the Algerian government also issued passports to those the Polisario permitted to travel abroad.

The Government issued no international travel documents.



### Right to Earn a Livelihood

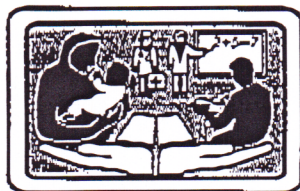
Algerian law severely restricted the rights of foreigners to work and made negligible exception for non-Palestinian refugees. The one refugee to whom the Government granted asylum during the year was

in the process of obtaining a work permit as of March 2007.

The 1981 Employment of Foreign Workers Law and the 1983 Order of the Ministry of Labor allowed only single-employer work permits for jobs for which no national, even one abroad, was qualified. Employers had to file justifications consistent with the opinions of workers' representatives. Permits were valid for no more than two years and renewal required repetition of the same procedure. Employees could not change employers until they completed their contract and then only in exceptional circumstances after consultation with the previous employer. Violators were subject to a fine and/or imprisonment from ten days to a month. The only unskilled foreigners the law permitted to work were those with "political refugee" status.

The 1990 Labor Law, amended in 1997, incorporated the same national labor protection requirements, without exception for refugees. A 2005 decree established regional labor inspection offices to enforce laws regulating the employment of foreigners and to take action "against all forms of illegal work." According to UNHCR, Palestinian refugees had access to the labor market under a special dispensation.

Although the Constitution provided that "Any foreigner being legally on the national territory enjoys the protection of his person and his properties by the law," refugees could own moveable property only. The desert surrounding Tindouf where the guerrillas confined refugees from Western Sahara supported virtually no livelihood activity except that refugees could own goats and sheep.



### Public Relief and Education

In February 2007, UNHCR and the World Food Programme (WFP) found dire conditions in the camps including anemia among pregnant and lactating women.

The refugees were entirely dependent

on humanitarian aid and agencies had to cut food supplies toward the end of 2006 and had only partially restored them later. In response to the February floods, the Government sent eight army planes with 4,000 tents, 14,000 blankets, and 62 tons of food and more aid in four convoys from neighboring provinces. The European Commission donated \$1 million in flood relief. Regular aid budgets included \$21 million for the

WFP, \$3 million for UNHCR, \$2 million for operational partners, and \$860,000 for implementing partners. Algeria itself donated \$60,000 to UNHCR.

Most of the refugees in the camps around Tindouf lived in brick or mud shacks, had precarious access to health services, and could not adequately educate their children. According to WFP, about 35 percent of children under five in the Tindouf camps suffered from chronic malnutrition. An observer in late 2003 described a "system of clientelism, permitting leaders to keep a strong grip on the population. ... Everyone has to beg for the leaders' favors. These favors can consist, for example, of a medical operation abroad, studies, a job with the Polisario, the right to leave the camps, and probably economic favors as well."

The Polisario and Algerian authorities tightly controlled the activities of international aid workers and the Polisario reportedly diverted substantial amounts of aid from refugees for its own purposes. Some aid agencies distributing European Commission aid, supportive of the Polisario's political and military enterprise, did not distinguish between the organization and the refugees. The Government claimed there were about 150,000 refugees in the camp but refused to allow a registration census.

Enrollment in public schools required residence permits, which de facto and UNHCR-recognized refugees did not have. Some 21 refugee children enrolled in private schools with UNHCR paying the fees. Refugees and asylum seekers, however, did have access to free public health facilities and UNHCR paid a pharmacy to provide their medicines.

Neither the national Poverty Reduction Strategy Paper Algeria prepared for international donors, the Common Country Assessment, nor the UN's joint plan of action with the Government for 2007-2011, included refugees.

## Angola

Refugees and Asylum Seekers	15,600
Congo-Kinshasa	14,100

New Asylum Seekers	1,020
Departures	18

1951 Convention: Yes  
Reservations: Arts. 7, 8, 9, 13, 15, 17, 18, 24, and 26  
1967 Protocol: Yes  
UNHCR Executive Committee: No  
African Refugee Convention: Yes

Population: 15.8 million  
GDP: \$43.8 billion  
GDP per Capita: \$2,780

Angola . Statistics .





## World Refugee Survey - 2008

### Algeria

Refugees and Asylum Seekers	95,700
Morocco	90,000
Former Palestine	4,100

New Asylum Seekers	800
Departures	28

1951 Convention: Yes  
 1967 Protocol: Yes  
 Reservations: None  
 UNHCR Executive Committee: Yes  
 African Refugee Convention: Yes

Population: 34.1 million  
 GDP: \$131.6 billion  
 GDP per capita: \$3,860

**Introduction** Algeria hosted around 95,700 refugees, mainly from the disputed Western Sahara, who sought shelter from the 1976 conflict between Morocco and the nationalist rebel group Polisario Front over the area's sovereignty. Around 4,000 Palestinian refugees lived in Algeria along with some 1,600 sub-Saharan asylum seekers with no recognition.



**Refoulement/Physical Protection** There were no reports that Algeria directly returned refugees to countries of feared persecution. In August, however, authorities deported 28 Congolese men the Office of the UN High Commissioner for Refugees (UNHCR) had recognized as refugees, even as they awaited settlement in a third country. The Government deported them after trying them for illegal entry, without giving them

Information about their trial or access to legal counsel. At the end of the journey to the Malian border, one man was missing and authorities left the rest in a zone of Malian rebel activity at Tinzaouatène. They remained there for two weeks without provisions until UNHCR Mali picked them up and took them to the Malian capital, Bamako, from which the United States resettled them.

Several times during the year, Algeria conducted mass expulsions of thousands of sub-Saharan migrants and possible asylum seekers, placing them in cages aboard trucks to Mali. It did not allow them to apply for asylum or to appeal against their expulsion.

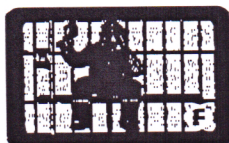
Algeria was party to the 1951 Convention relating to the Status of Refugees, its 1967 Protocol, and the 1969 Convention governing the Specific Aspects of Refugee Problems in Africa. The 1989 Constitution (amended 1996) provided that in no case may a "political refugee" with the legal right of asylum be "delivered or extradited." A 1963 Decree established the Algerian Office for Refugees and Stateless Persons (BAPRA) in the Ministry of Foreign Affairs and called for an appellate board consisting of representatives of various ministries and UNHCR, but the authorities never requested that UNHCR designate its representative. The 1963 Decree authorized BAPRA to decide cases and stipulated its recognition of those UNHCR had already recognized. In fact, the Government considered all sub-Saharan asylum seekers who entered without visas to be illegal immigrants, even if UNHCR recognized them as refugees. The number of applicants overwhelmed UNHCR's status determination process and the time between registration and interviews was over a



year in most cases and determinations were available only in the capital. The Government did recognize the Sahrawi and all 4,000 Palestinians as refugees, but did not permit UNHCR to conduct a census of the Sahrawi although it considered them to be UNHCR's sole responsibility.

In December, Al Qaeda In the Land of the Islamic Maghreb (formerly known as the Salafist Group for Preaching and Combat) bombed a bus and UNHCR's offices in Algiers, killing dozens and disrupting all activities.

Six Sahrawi former camp residents testified before the Belgian parliament that Polisario forced them to undergo military training in Tindouf and to go to Cuba for more.



**Detention/Access to Courts** On average, authorities arrested some 20 refugees and asylum seekers per month, generally for illegal entry, movement, and employment. Authorities in Algiers at least released those not charged with common crimes upon the intervention of UNHCR-paid lawyers and sentenced them within two weeks. Authorities expelled those

of whose detention UNHCR was not aware to the Malian border area.

Polisario authorities maintained their own police, judiciary, and detention facilities and applied their own penal code with the acquiescence of the Government of Algeria. They detained up to 100 refugees in at least two jails, Hamdi Ba Sheikh for men, about 30 minutes' drive outside of Polisario's Rabouni headquarters and another for women, and a juvenile detention facility. Refugees interviewed in Morocco reported that authorities imprisoned one refugee for three months for expressing an interest in returning to the Moroccan-occupied Western Sahara. Polisario authorities did not allow the International Committee of the Red Cross or UNHCR to monitor the facilities but did allow Human Rights Watch to visit the facility for men outside Rabouni in November. There was also a protective center for women pregnant out of wedlock, but it was difficult to determine whether residence was voluntary, as women reportedly had to remain there indefinitely until a man agreed to marry them or their family members agreed to raise the child. UNHCR helped construct a legal library in the camps.

Polisario issued refugee identity cards to all Sahrawis over the age of 18. UNHCR issued attestation letters to nearly 1,600 refugees and asylum seekers who approached the agency in the capital but had little presence elsewhere. The letters stated that the persons were refugees or of concern to the agency. Police officers contacted UNHCR several times to verify the certificates and released the bearers upon confirmation. Under the law, refugees were eligible for three-year residence cards, but the Government did not recognize any other than the Sahrawis and the Palestinians. Other refugees and asylum seekers did not have access to courts and avoided them for fear of arrest.

Many black Sahrawis who lived in the refugee camps were slaves under Arab Sahrawi masters, whose names the slaves took. Slave women complained that judges would not allow them to marry without the permission of the male heads of the families that owned them. In May, Polisario detained two Australian documentary filmmakers for about five hours near Rabouni and confiscated their mobile phones because they were documenting slavery in the camps, but released them after UN officials intervened. A Spanish court ruled against the return of a Mauritanian Sahrawi girl to the Tindouf camps when she testified, and SOS Slaves Mauritania confirmed, that she had been a slave. Also in June, a Polisario Ministry of Justice official formally emancipated at least one slave. In June, Polisario's



National Saharan Council ratified a new law on civil status law that modified some deficiencies in kinship and marriage cases.



**Freedom of Movement and Residence** The Government allowed Polisario to control the movements of some 90,000 Sahrawis in four isolated camps outside the Tindouf military zone near the Moroccan border. Refugees required permits from the Chiefs of *dairas* (districts within camps) to move from one *daira* to another within a camp or from camp to camp or to travel to the surrounding countryside, to Tindouf, or to Mauritania, which they generally issued. An estimated 3,500 Sahrawi

at most lived in Tindouf with Algerian passports, some of them married to Algerians. Polisario forbade return to the Moroccan-occupied Western Sahara, however, and arrested those who expressed an interest in doing so. Even so, a number managed to reach Morocco through Mauritania. To travel to Algiers, refugees needed passports from Polisario, which restricted their issuance according to criteria it did not disclose.

In the summer, Polisario guards reportedly ceased requiring all passengers on vehicles bound for Mauritania to have travel authorization papers, just the drivers. Polisario guards reportedly opened fire, however, upon at least one pair of persons attempting to cross the sand wall separating the camps from Moroccan-controlled Western Sahara. Polisario checkpoints surrounded the camps, the Algerian military guarded entry into Tindouf, and the police operated checkpoints throughout the country.

The UN Mission for the Referendum in Western Sahara facilitated more than 2,100 flights by refugees to visit family members in the Moroccan-controlled Western Sahara. Polisario also allowed some refugees to leave for education in Algeria and elsewhere and to tend livestock in the areas of the Western Sahara it controlled and in Mauritania. Nonetheless, members could not leave with their entire families. An unknown number reportedly held Mauritanian passports. The Algerian Government also issued passports to those Polisario members permitted to travel abroad but not to other refugees.



**Right to Earn a Livelihood** Algerian law severely restricted the rights of foreigners to work and made negligible exception for non-Palestinian refugees. Other refugees had no more rights than other foreigners. Their lack of status and right to work legally forced refugees into the informal sector. One with an electronic engineering degree worked as a construction worker and others turned to prostitution.

The 1981 Employment of Foreign Workers Law and the 1983 Order of the Ministry of Labor allowed only single employer work permits and then only for jobs for which no nationals, even those residing abroad, were qualified. Employers had to file justifications consistent with the opinions of workers' representatives. Permits were valid for no more than two years and renewal required repetition of the same procedure. Employees could not change employers until they completed their contract and then only in exceptional circumstances after consultation with the previous employer. Violators were subject to a fine and/or imprisonment from ten days to a month. The 1990 Labor Law reiterated these requirements, without exception for refugees. A 2005 Decree established regional labor inspection offices to enforce laws regulating the employment of foreigners and to take action "against all forms of illegal work." According to UNHCR, Palestinian refugees had access to the labor market under a special policy.



Skilled refugees and asylum seekers engaged in some self-employment but risked arrest and detention for it and enjoyed no social security or labor protections. Sahrawi refugees could work in informal businesses in the remote southwest garrison town of Tindouf, near the camps, but had to have permits to work in Algiers and elsewhere and there were no reports that any received them.

Although the Constitution provided that "Any foreigner being legally on the national territory enjoys the protection of his person and his properties by the law," refugees could own only movable property. Sahrawi refugees could own goats and sheep. Legitimate commerce and smuggling cigarettes, medicine, and humanitarian aid were a major source of revenue in the camps.



**Public Relief and Education** In February, the World Food Programme (WFP) reported that about 39 percent of children under five in the Tindouf camps suffered chronic or acute malnutrition, with the latter often undetected, and that two thirds of women of childbearing age suffered from anemia. In July, WFP did not distribute cereal rations, the source of 70 percent of the refugees' nutrition, and food was of insufficient diversity and poor quality. The Government contributed over \$200,000 in food aid in 2006 and a large amount of wheat flour during the shortage of 2007. It also supplied health services, transportation, housing, and most of the refugees' heating and cooking fuel.

The law required all humanitarian aid to go through the Algerian Red Crescent Society, which worked with its Polisario partner, the Sahrawi Red Crescent Society. The Government's refusal to allow a registration census prevented UNHCR from profiling the population for humanitarian and protection needs or monitoring aid distribution. A joint UNHCR/WFP assessment mission in January recommended a more transparent and accountable distribution system. In March, Interfaith International testified before the UN Human Rights Council that Polisario diverted and sold humanitarian aid in other countries and "spent enormous sums of money on festivals and military parades."

UNHCR was able to increase its aid to sub-Saharan refugees and asylum seekers in Algiers and they had free public health services and medicine through its implementing partner, *Rencontre et Développement*. The Palestinian refugees had integrated and did not have contact with UNHCR.

There were primary schools in the Tindouf camps for Sahrawi children, but they lacked adequate clothing for the cold winters. There were reports that families keeping slave children as domestic servants in the camp did not allow them to attend school. Algeria did not allow sub-Saharan refugees the residency permits necessary to attend classes. UNHCR, however, paid tuition for 32 to attend private schools.

The national poverty reduction strategy, including the Common Country Assessment and the UN's joint plan of action with the Government for 2007-2011, did not include refugees.





World Food  
Programme

Memorandum

CONFIDENTIAL

13/05/2005

To: James T. Morris  
Executive Director  
(Executive Summary only)

Through: Adnan B. Khan  
Inspector General, Director Oversight  
Services Division, OSD

From: Vernon Archibald  
Senior Inspections and Investigations Officer, OSDI

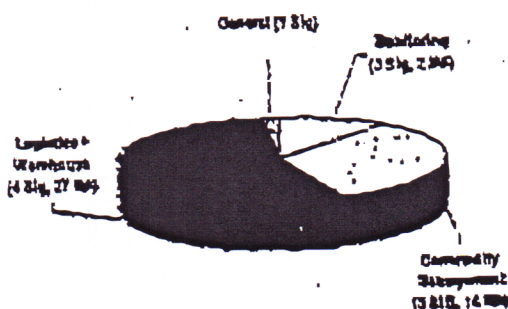
Ref. num: OSDI/592/05

Subject: **REPORT OF INSPECTION: WFP ALGERIA (3 to 17 MARCH 2005)**

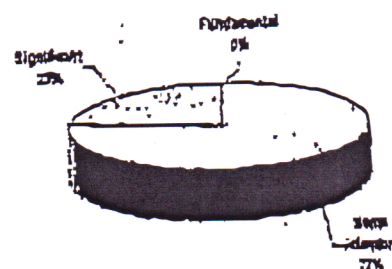
### EXECUTIVE SUMMARY

#### MODERATE IMPROVEMENTS NEEDED

Findings by Functional Area



Findings by Risk Severity



The inspection was limited to logistics, commodity management, and programming between Jan 04 and Feb 05. It did not include verification of refugee numbers. The inspection took place at the same time as a review mission from the Office of Inspector General (IGO) UNHCR. The two missions were independent but coordinated.

The inspection noted a number of weaknesses in controls and management practices within both the logistics chain and distributions, and concludes there is a risk of objectives not being achieved. However, it must be noted that the staffing of the Sub-Office in Tindouf has recently been enhanced with the addition of a Logistics Officer (PO), two Food Aid Monitors (G-S) and two drivers. The CO had therefore already begun to review some of

CC: Grassie (Executive Summary only)  
Small (Executive Summary only)

Morton  
Cardos



the weaknesses noted in this report and taken corrective action, especially with regard to increased monitoring in the camps.

### Background

The current two year PRRO 10172.1 was an expansion of the previous PRRO and commenced on 1 Sept 04. It assists 158,000 beneficiaries and has a budget of approximately \$40 million. Although the funding of the previous PRRO was only 69% of requirement, and both PRROs were operational in 2004, the actual amount of food programmed to meet targets in 2004 was 32,773 MT. This figure coincides with the amount which CRA reported as being distributed. It can therefore be concluded that the amount of food distributed in 2004 was sufficient to feed the planned caseload figures. The difference between the actual funding received by WFP (69%) and the full distribution achieved may have been partially made up by bilaterals (9% in 2004), by loans from the ECHO bufferstock, or by not meeting planned distributions in 2003.

In this regard, it should also be noted that Standard Project Reports (SPR) for 2003 and 2004 confirm that the actual number of beneficiaries reached was 100% of the planned number and the actual nutritional intake exceeded the target in both PRRO's by a small percentage. The PRRO document submitted to the Executive Board in 2004 stated that the target distribution was being met.

### Major Findings

**1. Formal Agreements.** Croissant-Rouge Algerien (CRA) is WFP's implementing partner in Algeria. CRA implements the logistics from the port to the beneficiaries. At the EDP CRA sub-contracts to Croissant-Rouge Saharaoui (CRS) – the beneficiaries – for warehousing, secondary transport, and distribution. At the time of the OSDI mission there was no formal agreement between the CO and CRA, nor between the CO and the Government, as both had expired with the previous PRRO on 31 Aug 04.

In addition, in accordance with the global memorandum of understanding with UNHCR, the management of food aid for refugees falls under UNHCR's responsibility as soon as it leaves the warehouse. The division of responsibilities concerning monitoring should be included in a country level agreement between UNHCR and WFP, but unfortunately there has never been such an agreement.

The lack of the agreements, particularly with UNHCR locally, leads to confusion over control and must be addressed.

**2. Port and Primary Transport.** Some weaknesses were noted in operations at the port in Oran and transport between Oran and the EDP. The transit time from Oran to the EDP should be a maximum of five days, but OSDI noted that 39 trucks spent an average of 25 days in transit. OSDI recommends that the CO investigate these delays and rigorously monitor transit times in future. Though these weaknesses were considered significant, OSDI did not find a pattern which would result in a major cause for concern in port operations and primary transport.

**3. Warehouse Operations.** In 2003 a Logistics Officer from WFP Chad spent six months improving warehouse operations. Visits to the warehouse were also made by the Regional Logistics Officer in 2002 and 2003 and by the Chief of ODPL in 2002. In spite of these



contracts were virtually non-existent.

OSDI recommends that the CO assume responsibility for management of the warehouse and that a new warehouse is established close to the SO in Tindouf. Pending this, the CO must bring existing warehouse arrangements up to an acceptable level. Again though the issues raised were individually of concern no overall pattern was detected by OSDI which would indicate significant diversions.

**4. Secondary Transport, Distribution & Monitoring.** Although these are UNHCR responsibilities, OSDI noted a pattern of significant issues in these areas which made verification difficult and could facilitate diversion. This combined with CRS - the beneficiaries - being responsible for the warehouse management, secondary transport, and food distribution is considered an undesirable state of affairs. OSDI recommends the CO not only urgently address these issues with UNHCR, but also take corrective measures to enhance WFP verifications and control.

**a) Secondary Transport.** Despite the fact that the refugee camps are situated close to the EDP - 3 no more than 50km - secondary transport took up to 4 weeks, reportedly due to an aging fleet and frequent breakdowns. In addition, OSDI noted that for more than 50% of the commodities waybills were not available. Although UNHCR has responsibility for distribution they are not taking the lead in obtaining the waybills and checking against food distributions. It is commendable that the WFP SO has assumed this role. Nevertheless there was minimal evidence of the SO taking follow-up action with either UNHCR, CRA or CRS regarding discrepancies.

OSDI considers these secondary transport issues as significant control failures and recommends that the CO ensure that UNHCR addresses the transport problems, assumes the responsibility for checking distributions against waybills and for taking necessary follow-up action.

**b) Distribution Monitoring.** Although UNHCR is also responsible for primary distribution monitoring, it was reported that this has not been done since 2001. In addition, as the Saharaoui leadership has refused to allow verification or registration of refugees, ration cards are not in use, and refugees do not sign for receipt of food.

OSDI considers this a fundamental control weakness of UNHCR and recommends that the CO work with UNHCR to find a solution.

**c) Oversight.** Regular WFP "verification" monitoring and reporting only commenced in the camps in Feb 05. Monitoring records for 2003 are virtually non-existent and in 04 there is evidence of only 11 visits. In the PRRO document presented to the EB, it states that WFP would pay particular attention to the end use of its commodities, and would regularly oversee distribution in the camps. This is echoed in the SPRs for 2003 and 2004.

OSDI considers that the amount of monitoring by both UNHCR and verification by WFP has been unacceptably low. The CO must ensure that this situation is reversed.

Finally, the current CD visited Tindouf on only one occasion since he became CD in August 2004, citing non-acceptance of his credentials until January 2005. OSDI



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## ANNEXES (Available upon request)

Annex A: Transit Time of Trucks  
Annex B: Food Distributed in 2004  
Annex C: Action Plan - Logistics  
Annex D: Action Plan - Warehouse  
Annex E: Commodity Management  
Annex F: Monitoring  
Annex G: General



## I. BACKGROUND

### (i) Context of the PRRO

1. Since 1975, tens of thousands of West Saharan refugees have taken refuge in temporary camps in Algeria in the desert in the southwest part of the country. For almost ten years, between 1975 and 1984, the Algerian Government sustained the burden of the aid to the refugees, with some help from other countries. In the mid-1980s the international community and the United Nations were requested by the Algerian Government to provide relief assistance to the refugees. WFP has assisted the Government of Algeria in meeting the basic nutritional needs of the refugees since 1986.
2. The current PRRO 10172.1 began on 1 September 2004 and is an expansion of the previous PRRO 10172.0 which is a continuation of previous ones that preceded it. PRRO 10172.0 was assisting 155,430 beneficiaries. This number is based on figures established by MINURSO<sup>1</sup> in the repatriation planning of the refugees to Western Sahara carried out in 2000.
3. PRRO 10172.1 is assisting 158,000 beneficiaries and according to the PRRO document presented to the EB: "WFP and UNHCR carried out a population assessment during their mid-term evaluation in September 2003. Using child vaccination and primary school attendance records together with the list of eligible voters compiled by MINURSO, they concluded that the total number of refugees was closer to 158,000". Donors also participated in this assessment. The host government sent a note verbal to WFP in February 2004 requesting WFP to assist 157,821 refugees. The figure of 158,000 is rounded off from 157,821.
4. The key strategic goal of the PRRO is to ensure the timely delivery of basic food commodities to sustain the livelihood of the refugee camp population, and to contribute to the improvement of nutritional status of at risk children and women suffering from malnutrition. The budget of the current PRRO totals 340,288,335 representing 69,168 MT.

### (ii) Quantities of Commodities and the Food Basket

5. The current PRRO includes the following commodities:

	MT
Canned fish - -	270
Cereals and grains	51,903
High energy biscuits	425
Iodised salt	577
Oils and fats	1,047
Pulses and vegetables	7,728
Sugar	3,583
Wheat-soya blend (wsb)	1,635
Total Approved Commodities	69,168



6. These commodities are meant to provide 2,100 Kcal per person per day. The PRRO targets the entire refugee population as they all face the same critical food shortage and dependency on food aid and other basic humanitarian assistance for their livelihood and survival. There is no targeting with regards to basic food distributions. All the beneficiaries receive the same food basket.
7. Conscious of the recurrent food shortages and delays in deliveries which plagued the PRRO in prior years, a consultation meeting between ECHO and WFP/UNHCR was held in February 2001 to come up with an arrangement that would minimise the food shortages in the camps during an eventual breakdown of the food supply pipeline. ECHO agreed to establish a three month buffer stock of 8,100 tons of basic food commodities to serve as a "revolving fund" and a last resort window from which borrowings could be effected by WFP under stringent conditions. The first of such borrowings was approved by ECHO in June 2001. Other borrowings have been effected since then with a total of 31 borrowings representing 22,500 MT taking place in 2004.
8. Bilateral donations of food to the refugees amounted to approximately 3,200 MT in 2004. These donations were included in the monthly food release notes (FRN's). The bilateral donations represented approximately 9 % of food distributed in 2004. CRA informed OSDI that there has never been an annual plan of donations put forward by the bilateral donors but they more or less reflect a recurring pattern.

### (iii) Set-Up of WFP Algeria

9. The WFP Algeria operation consists of an office in the capital Algiers and a sub-office in Tindouf which is approximately 1,800 km from Algiers. The only CO programme is the refugee operation. The refugees are based in four main camps near Rabouni which is approximately 23 km from Tindouf. There is a Government checkpoint on the road in between Tindouf and Rabouni which marks the unofficial "border" between Algeria and the refugee's territory. WFP commodities arrive at the Port of Oran and are transported by road to the warehouse in Rabouni.
10. There are 8 national staff and the Country Director based in the CO in Algiers. The CD, Mr. Mamadou Mbaye, took up his assignment in August 2004 although he was not officially accredited by the Government until January 2005. The sub-office in Tindouf (SO) has up until recently been staffed by a Programme Officer (P3), Programme Assistant (G-6), Logistics Assistant (G-6), and a driver. Recently the staffing of the SO was enhanced with the addition of a Logistics Officer (P3), 2 x Food Aid Monitors (G-5) and two drivers.

### (iv) Oversight Visits to the CO

11. The most recent internal audit was conducted in 1997. A further audit was planned to take place in 2003 but was obviated by the inspection. A mid-term self-evaluation of PRRO (2017-0) was conducted in September 2003. This covered the 12 month period to August 2003. OEDE has not conducted an evaluation of any of the PRROs.



#### (v) Implementing Partner

12. The CO has appointed Croissant-Rouge Algerien (CRA) as the CO's implementing partner. This is stipulated in the agreement between the CO and the Government of Algeria. CRA implements the logistics of the PRRO from the Port all the way through to the beneficiaries. WFP pays CRA an amount of DZD, 877 per MT – approximately \$82 per MT. The import of food is consigned to CRA apparently due to the fact that only CRA are allowed to import on a duty free basis. (Neither WFP nor any other UN agency are apparently recognised as duty free importers).
13. CRA is also the sole implementing partner for the logistics food chain for ECHO and the bilateral donors as well as being the implementing partner for UNHCR for secondary transport from the EDP and final distribution. The inspection mission was unable to determine if the amounts paid to CRA by WFP, UNHCR, and NGO's represented a uniform rate since the basis for the rates differs between each entity. For example, according to CRA, UNHCR pay CRA for specific expenses incurred such as office rent and salaries of certain staff while some NGO's apparently pay per truck delivered and ECHO pay the actual cost of transport plus Euro 12/MT.
14. Food is transported by truck to the EDP warehouse in Rabouni. From this point onwards, CRA sub-contract to Croissant-Rouge Saharaoui (CRS) for warehousing, secondary transport, and distribution. Thus, WFP has a contractual relationship with CRA but not with CRS. CRS is staffed by the refugees. Thus, the warehouse management, secondary transport and food distribution are all managed and operated by beneficiaries. OSDI considers this an undesirable state of affairs due to the potential for conflict of interest and recommends that the CO find an alternative solution in order to improve transparency and accountability.
15. At the time of the OSDI mission, there was still no formal agreement between the CO and CRA and between the CO and the Government - both had expired when the previous PRRO ended on 31 August 2004. There has never been a country level agreement between WFP and UNHCR (although a draft has been prepared by the CO). OSDI also consider this an undesirable state of affairs and recommends that the CO rectify this as soon as possible.

#### (vi) Micronutrient Survey

16. In February-March 2005, a Micronutrient status survey was performed in the refugee camps. The results showed that there has been quite a large increase in anemia rates in both women and children. The report only highlights the need to improve the quality of the food basket. PDFN have requested a more in depth analysis of the causes for this increase.

#### II. INSPECTION MISSION

17. The inspection took place in Algeria from 3 to 17 March inclusive with follow-up work being conducted at HQ thereafter. OSDI visited the CO in Algiers, the port of Oran, the SO in Tindouf, the warehouse in Rabouni, and the refugee camps. The OSDI mission took place at the same time as a review mission from the Office of Inspector General (IGG) UNHCR. The OSDI and IGO missions were independent but coordinated and in areas of overlapping interest was shared.



18. The purpose of the inspection was to review WFP operations to determine if there were weaknesses which might enable diversion of commodities. The scope was thus limited to logistics, commodity management and programming between January 2004 and February 2005 although information and data from prior years was reviewed where considered pertinent. The inspection did not include verification of numbers of refugees.

### III. FINDINGS

#### A. LOGISTICS

##### (i) Review of Transport and Logistics from Oran to Rabouni

19. COMPAS is not operational at the Port – data entry on arrivals is entered in Algiers. The CO do not have a permanent WFP presence in the port. OSDI recommends that a WFP staff member is appointed in Oran and that COMPAS becomes operational in the port. This was also recommended by the ODC Regional Logistic Officer in June 2002.
20. OSDI observed partial destuffing of containers taking place at a transporter's yard outside the port in order to comply with local legislation which prohibits road transport of loads exceeding 20MT. This partial destuffing is taking place in an uncontrolled environment and there were no waybills for the commodities leaving the port or evidence that the commodities were in the custody of CRA. OSDI recommends that the CO take corrective action.
21. OSDI reviewed a sample of seven Bills of Lading to check whether the commodities had been received in Rabouni. A total of 245 original truck waybills were reviewed by OSDI representing approximately 4,900 MT. All waybills were properly entered in COMPAS at the SO in Tindouf. The Logistics Assistant based in Tindouf collects the truck waybills as the trucks arrive at the EDP but he does not physically check the commodities on the trucks. Until February 2005, only a photocopy of the waybill was provided to the SO.
22. The transit time from Oran to the EDP should be a maximum of five days. OSDI noted that in the period January 2004 to February 2005, thirty nine trucks spent between 15 and 49 days in transit with the average of these thirty nine trucks being 25 days in transit. The list of these trucks is attached at Annex A. All trucks were transporting wheatflour which represents the majority of food transported and therefore a few trucks being delayed may not raise immediate cause for concern. OSDI recommends that the CO investigate these delays and rigorously monitor transit times in future.
23. During a visit to MSC shipping line in Oran, OSDI became aware that CRA had incurred demurrage charges of \$30,000 in 2004 with respect to containers of WFP food. A 21 day grace period is allowed by the shipping line. MSC reported that ALL containers are eventually returned to them. While such costs are not paid direct by WFP, OSDI considers that there should be no reason why CRA should incur these costs.
24. There is also no consolidated tracking system between WFP and other Donors involved with food supply to the refugees through CRA – both from Port to EDP and EDP to FDP. OSDI recommends that the CO ensure consolidation of data with other donors and Agencies.



25. WFP standard waybills are not used by CRA (nor are they used by CRS for secondary transport from the EDP) - this is in spite of a recommendation to do so in the ODC Logistic Officer's mission report in June 2002 and the printing of WFP waybills in Algeria. OSDI recommends that the CO ensure that CRA use standard WFP waybills.
26. CRA contract only two transporters, SNTR (state owned) and TMT. There appears to be no reason to limit their short-list to only two transporters. The CO has requested ODC to field a mission to Algeria to review the capacity of the local transport market and consider the feasibility of the CO assuming responsibility for logistics from the Port.

(ii) Warehouse Operations at the EDP in Rabouni

27. The EDP in Rabouni is owned and managed by CRS. The capacity of the warehouse is 10,355 MT. WFP has, over the past two years, incurred \$80,000 in construction of new warehouse buildings in the complex.
28. There is unrestricted access for CO staff to the warehouse. A Logistics Officer from Chad CO went on a six month TDY to Rabouni in 2003 to reorganise the warehouse and improve warehouse operations. Visits to the warehouse were also made by the Regional Logistics Officer in 2002 and 2003 and by the Chief of ODTL in 2002. In spite of these visits and their recommendations, the following weaknesses were observed during the OSDI mission:
- The warehouse was disorganised and messy with many hundreds of containers strewn across the warehouse compound. Containers with broken doors are used as separators, making it difficult to determine at first sight which containers are used for storage and which are used as separators. This makes inspections and inventories very difficult and is also undesirable given the extremely high temperatures during the day.
  - Due to the low level of stacking of bags, the warehouse capacity was not taken full advantage of. Also the stacking is not as per WFP standards, therefore making stock counting difficult.
  - The warehouse is divided, in principal, into three sections: UNHCR/ Bilateral section, WFP sections and ECHO section. However, due to operational constraints, WFP food cannot always be stored in WFP section and ECHO food in ECHO section. These operational constraints include the warehouse space constraints, i.e. arriving food is stored where a free location is found and sometimes a WFP reimbursement to ECHO happens when the food is already stacked inside the warehouse, i.e. the food stacks change "owner".
  - The stacks are not aligned equally making the stock counting difficult. Food is not stacked by SI but by commodity into WFP and ECHO stacks. Thus, food from the same SI is often stacked separately. Many stacks of food were lying on the ground and were not on pallets. The stacks are not built higher than 12 layers thus occupying a lot of space.



- The documentation for receipt of commodities does not take into account that WFP commodities should be tracked by SI's. WFP waybills, tally sheets, and LTI's are not used.
  - Since the stock cards do not record SI numbers, there is no audit trail to enable follow-through of receipt of food in the warehouse and subsequent despatch. There is therefore a lack of transparency.
  - ECHO loans, reimbursements and stock ventilation also make it difficult to track commodities.
  - There were hardly any physical stock counts undertaken.
  - Warehouse staff were reported to be illiterate therefore unable to complete warehouse documents. The staff were at first unable to advise OSDI whether particular stocks belonged to ECHO or WFP. The warehouse staff are unpaid – although there is an amount included in the LTSH rate for their wages.
  - Despatches from the warehouse are not recorded in COMPAS. OSDI was informed that both CRA and CRS agreed to implementation of COMPAS and that the CO have the equipment available.
  - There are no unloading plans for receipt of commodities; trucks are offloaded when they arrive if the CRS personnel are available. The number of trucks available for secondary distribution also varies daily.
  - Deliveries to the camps are made commodity by commodity – instead of dispatching a complete food basket. This is inefficient and creates a waste of time and energy. This problem was noted in the mid-term self evaluation conducted in September 2003 and the joint WFP-UNHCR assessment mission in January 2004.
29. OSDI performed a physical stock count at the warehouse (although the results cannot be considered as completely reliable since some stocks had to be estimated due to their poor physical construction). The stock count was reconciled to CRS stock records which revealed that for all commodities counted, the actual stock count was less than the amounts reported by CRS. The differences were as follows:

WFP stock

Wheatflour – 268 MT  
 Lentils 42 MT  
 Veg. oil 15,875 litres

ECHO stock

Wheatflour 345 MT  
 Sugar 104 MT  
 Veg. oil 12,540 litres



30. The CO has been requested to investigate the differences. Thus, in spite of poor warehouse management, there were only relatively small differences noted in the actual stock records (approximately 2% of food distributed).
31. OSDI considers that overall warehouse management is unsatisfactory and internal controls are weak and virtually non-existent. Even in June 2002, the ODC Logistics Officer stated in his mission report "Overall the operation as it is currently implemented by the Red Crescent, in particular the poor warehouse management in Tindouf, does not meet standard WFP criteria, up to a point where it can potentially be damaging for WFP's credibility. Significant improvements are expected from the Red Crescent..."
32. The expected improvements have not taken place. Thus, OSDI recommends that the CO assume responsibility for management of the warehouse and that a new warehouse is established close to the SO in Tindouf. Pending this, the CO must bring existing warehouse arrangements up to an acceptable level. OSDI notes that the SO Logistics Officer and Logistics Assistant have recently begun to work in an office close to the warehouse which is clearly a step in the right direction.

## B. COMMODITY MANAGEMENT

### (i) Quantity of Food Distributed

33. In line with the terms of the global MoU between UNHCR and WFP, the management of food aid falls under UNHCR's responsibility as soon as it leaves the warehouse.
34. A Food Co-ordination meeting takes place in Algiers once a month consisting of representatives of WFP, UNHCR, CRA, CRS, ECHO, and the Government. During this meeting, a plan is outlined concerning the amount of food to be released from the warehouse. Based on this a food release note (FRN) is prepared. The FRN indicates where the food is to be obtained for the forthcoming month and this typically includes WFP stocks, borrowings from the ECHO buffer stock, and bilateral contributions. It was explained to OSDI that the FRN includes bilateral contributions since they contribute to the total food basket requirement of 2,100 kcal per person per day<sup>2</sup>.
35. The FRN authorises distribution to a planned caseload which amounted to 155,430 refugees in the two years up to 31 August 2004 and 158,000 refugees thereafter.
36. In the calendar year 2004, the actual amount of food programmed through the FRN in order to achieve the target of 2,100 calories per person per day was 32,773 MT. The actual amount which CRA reported as being distributed was 32,537 MT. We can therefore reasonably conclude that the amount of food reported to be despatched from the warehouse in 2004 was virtually sufficient to feed the planned caseload figures mentioned above.

<sup>2</sup> PRRC 10172.1 presented to the EB in May 2004 stated "...to avoid duplication of resource allocations, the Executive Board agreed when approving PRRC 10172.0 in May 2002 that if bilateral donors or NGO's provided basic food assistance to refugees in the camps, WFP would reduce its deliveries accordingly. The same arrangement is proposed for the expansion phase"



37. Standard project reports for 2003 and 2004 all state that the planned number of beneficiaries was met 100% in both PRRO's and the actual nutritional intake exceeded the target in both PRRO's by a small percentage. The PRRO document presented to the SB in May 2004 for PRRO 10172.1 stated: "Thanks to a combination of WFP supplied commodities, bilateral contributions and buffer stock...it has been possible to distribute a monthly food basket providing 2,100 kcal per person per day...under PRRO 10172.0, WFP has provided aid to 155,430 refugees in the camps...In 2002-2003, contributions from multilateral and bilateral sources and the availability of ECHO buffer stock enabled WFP to provide standard rations regularly."

38. The following extract from the report on the mid-term self evaluation of PRRO 10172.0 which was conducted by the CO in September 2003 and covered the twelve month period to 31 August 2003 is also relevant:

"The resource situation of the operation has been quite satisfactory as evidenced by the 99.3% attainment of the Kcals requirements set in the PRRO. The contribution of 10,000 tons of rice made by the Algerian Government has provided a breathing space to the operation until December 2003... The combination of WFP food, ECHO Plan Global food and buffer stock, bilateral donors food and better co-ordination of food distribution among the implementing partners have contributed to the meeting of the requirement target. As mentioned earlier, the rate of coverage is 99.3%...With a case load of almost double of 155,430, the current PRRO has achieved a commendable performance. By replenishing almost entirely ECHO Buffer stocks of 3,100 tons of basic food, resource mobilisation could be viewed as satisfactory if not remarkable. The PRRO has helped meet the refugees basic food requirements as the resource situation during the period covered by this evaluation has been the best since WFP started this string of operations in 1986...The Ministry of Foreign Affairs and all those who took part in the mission and/or debriefing were satisfied by the achievements of the PRRO and the improvement of the nutritional conditions of the refugees".

39. The above findings were restated by the joint WFP-UNHCR assessment mission carried out in January 2004.

40. A distribution plan is prepared by CRS for each month. OSDI reviewed the plans for virtually all months in 2004 and noted that the CRS distribution plan always matched the total planned number of refugees. The distribution plan indicated the population levels of each camp. For January to June 2004 inclusive, the population figures in each camp did not change. In July, the population varied in three of the camps but the total remained the same at 155,430. OSDI did not receive a distribution plan for August, however the plan for September showed an increase in population levels in most camps with the total number of refugees being 158,000 - the planning figure included in the PRRO which commenced on 1 September 2004.

41. The population figures in the distribution plans for September, October, and November remained unchanged whilst the figures for December showed a change in the levels in all camps but with the overall total remaining at 158,000.

42. OSDI considers it somewhat surprising that the camp population figures as per the CRS distribution plan are always exactly the same as the planned number of refugees.



### (D) Comparison of Authorised Distributions to CRA Distributing Reports

43. Each month CRA provide a report to UNHCR showing opening stock, receipts, distributions, losses, and closing stocks ("the CRA distribution report"). UNHCR then forward this report to WFP.
44. OSDI compared the amount of food authorized for distribution by the FRN's with the amounts reported to be distributed by CRA for each month in 2004. Regarding food issued under the general distribution, OSDI found that out of 32,773 MT authorized for distribution, 32,537 was reported as distributed by CRA. Thus, a difference of 236 MT was incurred which is mostly made up of small amounts of unauthorized/excess distributions of sugar and oil. For the majority of commodities distributed: wheat flour, rice, pasta, and lentils totaling 28,756 MT, the amount which CRA reported as distributed exactly matched the amount authorized to be distributed (one small difference of 2 MT was noted regarding lentils). Specific details are attached at Annex 2. A summary of areas where there were differences is as follows:
45. Sugar: a total of seventeen distributions were authorized during 2004 for the general distribution and the nutrition programme. For all of the twelve distributions under the general distribution, the amount which CRA reported as distributed exactly matched the amount authorized to be distributed. For four distributions under the nutrition programme the amount distributed was less than the amount authorized by a total of 43 MT whilst in another distribution, there was an unauthorized distribution of 1 MT. Thus, further releases of sugar were authorized when the amounts authorised in previous months had not been distributed.
46. Oil: a total of nineteen distributions were authorized during 2004 for the general distribution and the nutrition programme. For six of those distributions, the amount which CRA reported as distributed exactly matched the amount authorized to be distributed. For another seven distributions, the amount distributed exceeded the amount authorized. The total of these amounts is 29,033 litres. For another four distributions, the amount distributed was less than the amount authorized and this totaled 56,393 litres. Both discrepancies represent a weakness by the CO in monitoring authorised distributions against actual distributions; in particular, the authorising of further releases of oil when the authorised quantity for prior months has not been distributed. The total quantity distributed was 1,728,198 litres.
47. Dried skimmed milk (DSM): a total of thirteen distributions were made during 2004 - twelve for the complementary feeding programme and one for the nutrition programme. For eight distributions, the amount which CRA reported as distributed exactly matched the amount authorized to be distributed. These distributions were all made from WFP stock. Regarding the other five distributions, these comprised mainly unauthorized distributions from a Spanish bilateral donor who were implementing a specific project which was not monitored by the CO. The total quantity distributed was 1,442 MT.
48. Wheat soya blend (WSB): 440 MT of WSB arrived in Rabouni in September 2003 for a UNHCR administered nutrition programme. The WSB was provided by WFP. The amounts authorized to be distributed did not match the amounts reported to be distributed. In addition, 310 MT WSB was put in the general distribution in May and June 2004. It had been intended for a nutrition programme administered by UNHCR but due to the late



commencement of the programme, a reduced caseload and a short shelf life, 310 MT was put in the general distribution in May and June. Whilst OSDI agrees that it was preferable to put the WSB in the general distribution rather than wait for it to expire and written off as a total loss, OSDI believes that the inclusion of such a high value commodity in the general distribution is a waste of donor's resources as well as leading to unrealistic beneficiary expectations. The difference in FOB price between WSB and wheatflour is \$50 per metric ton therefore the additional cost of distributing 310 MT WSB instead of wheatflour amounts to \$15,500.

49. Given the weaknesses in the food distribution system, OSDI considers it surprising to note that the total quantity of food reported by CRA as distributed is almost exactly the same as the total quantity authorized to be distributed. OSDI asked CRA to produce evidence of the amounts they reported to be distributed. They were unable to do so and at first stated that they merely obtain this information from CRS by looking at their computer records once in a while. Later, the Head of CRA in Tindouf said he could provide such documents and approximately two days after the meeting with OSDI, he forwarded to OSDI a monthly stock report prepared by CRS. This stock report had mostly the same distribution data as the CRA distribution report although there were some unexplained differences.

50. Thus, OSDI endeavoured to obtain an opinion on the availability of documents to support the distribution figures reported by CRA.

#### (iii) Comparison of CRA Reported Distributions to Warehouse Despatch Records

51. CRS prepare a waybill for secondary transport (locally known as "albaron")<sup>1</sup> When the truck is offloaded at the final delivery point in the camp, the head of the daïra<sup>2</sup> is supposed to sign for receipt of the food. Within each daïra, there are a number of groups consisting of 150 beneficiaries. Each group has a female group leader who is also supposed to sign the albaron when the food arrives. One copy of the albaron is supposed to remain with the Head of the daïra whilst the other copy should be retained by the truck driver for submission to CRS.

52. The SO Programme Assistant reported that she tries to obtain the albarons from CRS and then prepares a summary of them. The Programme Assistant also advised that she has great difficulty in obtaining all the albarons and cited that the truck drivers often lose them or disregard them since they do not appreciate their significance. OSDI also ascertained from CRS that they prepare a list of the albarons but only began doing so since November 2004.

53. OSDI compared the CRA distribution reports with the albarons received by the Programme Assistant and noted the following discrepancies:

- WFP had not received any albarons for January, August, September, and October 2004.
- Wheatflour - albarons were not available for 6,360 MT, i.e. approximately one-third of the quantity distributed.

<sup>1</sup> A daïra is similar to a province within each camp - there are between four and seven daïras in each camp.



- Lentils – albarons were not available for 1,506 MT – i.e. 42% of the total quantity distributed.
- Veg. Oil – albarons were provided for only three months in 2004, thus, albarons were not available for 1,266,000 litres of oil representing 73% of the oil distributed.
- Sugar – albarons were not available for 1,207 MT – i.e. 65% of the sugar distributed.
- Rice – albarons were not available for 2,671 MT – i.e. 45% of the rice distributed.
- Wheat soya blend – albarons were not provided for 279 MT – i.e. 60% of the wheat soya blend distributed.
- Dried skimmed milk (DSM) – albarons were not provided for 1,068 MT – i.e. 74 % of the DSM distributed.

54. OSDI considers that the above findings represent a significant control weakness – the food is reported by CRA as being distributed yet the SO did not obtain proof of delivery for at least more than 50% of the commodities said to be distributed.

55. The problem is further complicated by the fact that UNHCR has responsibility for distribution yet they do not appear to be taking the lead in obtaining the albarons and checking against food distributions. The SO has assumed this role although there was minimal evidence of the SO taking follow-up action with either UNHCR, CRA or CRS regarding discrepancies. The SO do not submit information on albarons received to the CO in Algiers.

56. OSDI considers this a significant control failure and recommends that the CO ensure that UNHCR assume the responsibility for checking distributions against albarons and taking necessary follow-up action.

57. OSDI further recommends that the CO make all efforts to obtain from CRS all albarons for 2003 and 2004 and perform a comparison against reported distributions and follow-up any discrepancies.

58. OSDI managed to obtain additional albarons from CRS as follows:

- Wheatflour for September 2004 – none of the albarons obtained by OSDI had been obtained by the SO beforehand.
- Wheatflour for November 2004 – OSDI obtained albarons for an additional 260MT beyond which the SO had originally received.
- Lentils for December 2004 – OSDI obtained albarons for an additional 119 MT beyond which the SO had originally received.
- Sugar for October 2004 – none of the albarons obtained by OSDI had been obtained by the SO beforehand.
- Wheat soya blend for June 2004 – OSDI obtained albarons for an additional 45 MT beyond which the SO had originally received.

59. The net result when comparing the total of the albarons originally received by the SO, plus the additional ones obtained by OSDI with the authorized distributions is as follows:



- > Wheatflour for September 2004 - no albarons to support 47 MT said to be distributed.
- > Wheatflour for November 2004 - excess of 12 MT distributed.
- > Lentils for December 2004 - excess of 5 MT distributed.
- > Sugar for October 2004 - virtually no difference in quantities.
- > Wheat soya blend for June 2004 - excess of 10 MT distributed.

60. The above exercise illustrates that some missing albarons could be obtained from CRS thus facilitating a more accurate analysis to be performed by the CO as recommended above.

61. OSDI noted that for nine months in 2004, no albarons were obtained for oil. OSDI therefore requested all 2004 albarons from CRS. These albarons were obtained just prior to finalizing this report. OSDI has requested the CO to prepare a summary of these albarons and compare to the CRA distribution reports.

62. OSDI also reviewed all albarons for January and February 2005 and noted the following weaknesses:

- > January 2005 - out of the total of 350 albarons checked, the entire amount did not have the group leader's signature for receipt of the commodities whilst 53 did not state the quantity received.
- > February 2005 - out of the total of 316 albarons checked, the entire amount did not have the group leader's signature for receipt of the commodities whilst 30 did not state the quantity received.

63. As stated above, OSDI recommends that the CO make all efforts to obtain from CRS all albarons for 2003 and 2004 and perform a comparison against reported distributions and follow-up any discrepancies. As part of this process, the CO should verify whether the information on the albarons is complete and correct.

#### (iv) Other Observations Regarding Despatch of Food

64. CRA made an unauthorized borrowing of 158,000 litres oil from the ECHO buffer stock in January 2005. The CO found out and informed ECHO. OSDI considers this a significant control weakness and recommends that the CO monitor this closely in future.

65. The FRN for March 2005 was issued on 9 March whilst CRS had already begun distributing on 1 March. OSDI was informed that the CO gave a verbal go-ahead to the President of CRS to proceed with the distribution pending release of the FRN. OSDI concludes that this represented a control weakness and sets a poor example to CRS.

66. Several other errors and omissions were noted in CRA distribution reports. OSDI recommends that the CO request UNHCR/CRA to ensure complete and accurate reporting.

#### (v) Distribution of Food in the Daira's

67. As the Saharawi leadership has refused to allow verification or registration of refugees, ration cards are not in use in the refugee camps. The Head of CRA informed OSDI that beneficiaries sign for receipt of food but his assertion is not correct. The refugees do not